

Administrative Review Summary Report

Technical Assistance and Corrective Action Plan

Agency Code: 82534

School Food Authority: Hilbert SD

School(s) Reviewed: Hilbert Middle School

Review Date(s): 1-18-17

Date of Exit Conference: 1-18-17

State agencies (SA) are required to conduct administrative reviews to assess School Food Authority (SFA)'s administration of the National School Lunch Program (NSLP), School Breakfast Program (SBP), and other school nutrition programs. The objectives of the Administrative Reviews are to:

- Determine whether the School Food Authority meets program regulations,
- Provide technical assistance,
- Secure needed corrective action,
- Assess fiscal action, and when applicable, recover improperly paid funds.

Of immediate concern are critical area Performance Standard violations that may result in fiscal action. The identified findings, corrective action required and any documentation needed to demonstrative corrective action was completed are specified.

Please submit corrective action via email, fax or mail prior to the negotiated due date to the attention of Debra Wollin with the exception of findings pertaining to section 2. Kathy Clark is responsible for following up on this portion of the review. Contact information is provided below:

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Hilbert School District for the courtesies extended to us during the on-site review. It was helpful to have all of the requested documentation pulled and ready for the review and we greatly appreciated the work done prior to the review in completing the Off-site Assessment Tool. I hope that you found the time spent in providing technical assistance during the on-site review helpful.

The School Nutrition Team (SNT) conducts School Nutrition Skills Development Courses (SNSDC) each summer in various locations around the state at no charge. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, professional standards, procurement and many other topics. More information can be found on our training page, along with other upcoming trainings and webinars <http://dpi.wi.gov/school-nutrition/training>.

Consider pursuing a GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the WI Department of Public Instruction and is obtained by completing training in nutrition, program administration and operations, and communications and marketing. For more information go to: <http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills>.

Dr. Tony Evers, State Superintendent of Wisconsin Department of Public Instruction, shares a vision that every student will graduate prepared for college and career in an initiative called "Agenda 2017". His goals are for students to have the knowledge, skills, and habits that will allow them to succeed in life after high school. Access to quality nutrition plays a major role in developing those life-long habits.

The School Nutrition Team believes that what school nutrition programs do every day plays a very important part in the success of every child being able to graduate. We all know that well-nourished children are ready to learn. Thank you for all you do to ensure your students' success.

Review Areas

1. Meal Access and Reimbursement: Certification and Benefit Issuance, Verification, Meal Counting and Claiming

Appreciation/Commendations/Noteworthy Initiatives:

Of the 112 students eligible for free/reduced price meals in December, a sample of 84 was pulled and all were determined correctly, direct certification had been run in the appropriate timeframes, and Verification was completed by the required November 15 deadline. Kudos for a job well done!

Comments/Technical Assistance/Compliance Reminders:

Certification and Benefit Issuance

- When an application only has one frequency of payment indicated for all of their reported incomes on the application, you should not convert it to annual, but using the Income Eligibility Guidelines (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/income-eligibility-guidelines-1617.doc>), you would look at the amount of their income under the column indicating that frequency (i.e., weekly, twice monthly, every two weeks, monthly, annually).

Meal Counting and Claiming

- The meal counting system must prevent overt identification of students receiving free and reduced price benefits. It was noted that meal prices for student meals (i.e., \$2.25, .40, 0.00) are visible on the computer screen that can be seen by students, which constitutes overt identification

Findings and Corrective Action Needed:

- ☐ **Finding #1:** An error on the part of the Department of Human Services with Direct Certification runs before August 10, 2016, caused some students to come back as a false positive for benefits. Because of this, 1 student was given DC benefits incorrectly.
Corrective Action Needed: Please notify this households of the reduction in benefits (to take effect 10 days from the date they are notified in writing). Record date that corrective action is taken on the **SFA-2** form and send completed copy as corrective action. No fiscal action will be assessed due to a system-wide error at no fault of the SFA.
- ☐ **Finding #2:** The free and reduced application which is posted on the school's website is the 15-16 application and per regulation, applications must be updated yearly as released by the USDA.
Corrective Action Needed: Please replace the 15-16 application on the school website with a current 16-17 application.
- ☐ **Finding #3:** The price being charged for a meal showed up on the computer screen visible to staff and students, which results in overt identification, as students are able to tell another student's eligibility by what they are being charged for a meal.
Corrective Action Needed: Please program POS so price of reimbursable meal is not visible to other students or adults.

2. Meal Pattern and Nutritional Quality: Meal Components and Quantities, Offer versus Serve, Dietary Specifications and Nutrient Analysis

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to all food service staff for their positive attitudes, willingness to assist with the review process, and for their dedication to providing excellent customer service to students. Your efforts make a difference. Hilbert School District offers students a beautiful garden bar full of fruit and vegetable options so everyone can find something they like. Offering multiple entrees choices as well is a great way

to ensure customer satisfaction and allowing students the ability to serve themselves empowers them to make healthy choices. Keep up the great work!

Comments/Technical Assistance/Compliance Reminders:

- It is highly recommended to view the training webcasts at <http://dpi.wi.gov/school-nutrition/training/webcasts>. There are short webcasts available that provide more information on each meal pattern component and on additional topics such as production records, product formulation statements, and offer versus serve. These quick webcasts are great training tools to share with staff. Make sure to join us on the second Tuesday of every month at 2:00 p.m. for the *What's New with School Nutrition* webinar. More information can be found at <http://dpi.wi.gov/school-nutrition/training/whats-new>.
- The updated meal pattern mandated by the Healthy, Hunger-Free Kids Act (HHFKA) of 2010 outlined a sodium restriction using three targets to allow for a gradual implementation. The first target was implemented July 1, 2014. The second sodium target will take effect beginning July 1, 2017. We have a number of resources pertaining to sodium posted on the NSLP menu planning webpage at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning>. The direct link to a table outlining the restrictions can be found at http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/cnr_sodium.pdf. More information on the second sodium target can also be found in the USDA guidance memo SP 15-2017 at <https://www.fns.usda.gov/sites/default/files/cn/SP%2015-2017os.pdf>. Schools will be offered some flexibility with the target as described in the memo. In preparation for the second sodium target, consider looking into lower sodium options for your canned soups, sauces, and condiments.
- Consider using the DPI production record template for multiple grade groups at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/production-record-lunch-two-grade-groups.doc>. This template works well for K-12 buildings and provides adequate recording space for all required information.

Findings and Corrective Action Needed:

- ❑ **Finding #1:** Signage is posted that describes how students can create a reimbursable lunch but must also state that students are required to take at least a ½ cup fruit, vegetable, or combination. Resources for signage can be found at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage>. Free posters and other materials can be ordered by completing the order form at https://docs.google.com/forms/d/1rIGjKHSxkmtYtYsl4GuRlXL3NK3tEoZ-8JT-G9RKbgl/viewform?edit_requested=true.

Corrective Action Needed: Submit a written statement describing how signage will be modified to include the ½ cup requirement verbiage.

3. Resource Management: Risk Assessment and Comprehensive Review of Nonprofit School Food Service Account, Paid Lunch Equity, Nonprogram Foods Revenue, Indirect Costs

Appreciation/Commendations/Noteworthy Initiatives:

Hilbert School District has excellent control over its financial resource management of the School Nutrition Program. All nonprogram food documentation was completed perfectly! Thank you for your detailed oversight of all financial aspects of the program.

Comments/Technical Assistance/Compliance Reminders:

Annual Food Service Financial Report:

- All revenues including reimbursements and student payments, and expenses including food, labor, equipment, purchased services, and other need to be entered into the program to which they belong.

The new 16-17 Annual Financial Report instructions are located on our website at:

<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/annual-financial-report-instructions-new-1617.doc>

- The school food service fund may not have an ending fund balance in excess of 3 months operating expenses, as this is considered “Excess Cash Balance.

Nonprogram Foods Revenue Rule SP-20-2016 <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>

- All nonprogram food costs including food, labor, equipment, purchased services, and other must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals or have a nonprogram foods loss absorbed by the food service account. Thus nonprogram foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
- The USDA Nonprogram Revenue Tool must be completed yearly, at a minimum. The DPI Nonprogram Food Revenue Tool/Calculator located on our website feeds into the USDA tool and aids in calculating prices of nonprogram foods and meeting the USDA nonprogram food regulation <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>.

Allowable Expenditures

- The nonprofit school food service account is to be used only for the operation of the school meal program including food, supplies, equipment and personnel. .
- Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. More information on allowable costs can be found within the Indirect Costs guidance <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>.
- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50 (Foodservice account within WUFAR). For both public and private schools in Wisconsin, any costs assessed to foodservice must be based on documented and justifiable costs for each school building as they pertain to your school situation rather than on the indirect cost rate.
- **Bad debt** is an unallowable expense to the food service program. A transfer must be made from non-federal funds to cover student account write-offs.

Unpaid Meal Charges Policy

- All School Food Authorities (SFA) operating federal school meal programs must have a written and clearly communicated policy to address unpaid meal charges in place by July 1, 2017.
- SP57-2016 Unpaid Meal Charges guidance Q & A may be found at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-57-2016.pdf>.
- The policy must explain how the SFA will handle situations where children eligible to receive reduced price or paid meals do not have money in their account or in hand to cover the cost of their meal at the time of service.
- The policy should be implemented and enforced SFA-wide.
- The SFA has discretion to vary policy based on student grade level.

4. General Program Compliance: Civil Rights, On-site Monitoring, Local School Wellness Policy and School Meal Environment, Smart Snacks in Schools, Professional Standards, Water, Food Safety, Storage and Buy American, Reporting and Recordkeeping, SBP and SFSP Outreach

Comments/Technical Assistance/Compliance Reminders:

Local Wellness Policy and School Meal Environment

- The local wellness policy requirement was established by the Child Nutrition and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Reauthorization Act of 2004 and further strengthened by the Healthy, Hunger-Free Kids Act of 2010 (HHFKA). The final rule

requires School Food Authorities (SFAs) to begin developing a revised local school wellness policy during School Year 2016-17 and full compliance with requirements of the final rule by June 30, 2017.

- At a minimum, SFAs must permit participation by the general public and the school community including parents, students, and representatives of the school food authority, teachers of physical education, school health professionals, the school board, and school administrators in the wellness policy process. In addition, SFAs must designate one or more school officials to ensure each school complies with the policy.
- Content of the Wellness Policy - At a minimum the wellness policy must include:
 - Specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness. LEAs are required to review and consider evidence-based strategies in determining these goals.
 - Standards and nutrition guidelines for all foods and beverages sold to students on the school campus during the school day that are consistent with Federal regulations for school meal nutrition standards, and the Smart Snacks in School nutrition standards.
 - Standards for all foods and beverages provided, but not sold, to students during the school day.
 - Policies for food and beverage marketing that allow marketing and advertising of only those foods and beverages that meet the Smart Snacks in School nutrition standards. – **Your district has Pepsi vending machines.**
 - Description of public involvement, public updates, policy leadership, and evaluation plan.
- SFAs must complete an assessment of the policy every three years to determine compliance with the wellness policy, how the wellness policy compares to model policies, and process made in attaining the goals of the wellness policy. SFAs must make the Triennial Assessment available to the public. In addition, SFAs must make available to the public the wellness policy and any updates to the wellness policy on an annual basis.
- A summary of the requirements can be found at: https://healthymeals.nal.usda.gov/sites/healthymeals.nal.usda.gov/files/uploads/LWPsummary_finalrule.pdf. USDA Food and Nutrition Service has information on the local school wellness policy process and wellness policy elements at: <https://healthymeals.nal.usda.gov/school-wellness-resources>. Wisconsin Team Nutrition has several wellness policy resources available including a toolkit, wellness policy builder, and wellness policy report card at: <http://dpi.wi.gov/school-nutrition/wellness-policy>.

Smart Snacks in Schools

- Make sure to review any foods or beverages sold to students during the school day for compliance with Smart Snacks regulations. It is best to run products through a calculator tool like the one available from the Alliance for a Healthier Generation at https://www.healthiergeneration.org/take_action/schools/snacks_and_beverages/smart_snacks/alliance_product_calculator/. Remember that products may be compliant for one grade group but not another. It is recommended to print out the calculator results and keep them on file. Refer to the Smart Snacks “In a Nutshell” handout at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/smart-snacks-in-a-nutshell.pdf> for more information. A print copy was left onsite. Additional information can be found at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>.
- As discussed prior to the review, additional information from the manufacturer is needed to determine if the Fritos product used meets the Smart Snacks general standard for whole grain-rich products. Since “corn” is listed as the first ingredient, the manufacturer would need to provide documentation showing that the corn was whole grain. If that documentation is received, the next step would be to run the product through the Smart Snacks calculator to make sure it is compliant with the nutrient standards.
- Middle School Beverages
 - Plain water or plain carbonated water (no size limit);
 - Low-fat milk, unflavored (≤12 fl oz);
 - Non-fat milk, flavored or unflavored (≤12 fl oz), including nutritionally equivalent milk alternatives as permitted by the school meal requirements;
 - 100% fruit/vegetable juice (≤12 fl oz); and

- 100% fruit/vegetable juice diluted with water (with or without carbonation), and no added sweeteners (≤12 fl oz).
- The Wisconsin Department of Public Instruction allows two fundraiser exemptions per student organization per school per school year. A fundraiser cannot exceed two weeks in time. An exempt fundraiser may sell foods and beverages that are not allowable under the Smart Snacks rule but may not compete directly with the sale of reimbursable meals. All food fundraisers must be tracked SFA-wide to assure compliance with the regulation. Copies of the tools are available on our website at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>.

Professional Standards

- The Professional Standards regulations in 7 CFR 210.30 established annual training standards for all school nutrition program directors, managers, and staff which must be tracked.
- Annual training must be job-specific and intended to help employees perform their duties well. The required annual training hours vary according to the employee's role in the management and operation of the school nutrition program.
- One person in the SFA must be designated as the Food Service Director and meet the yearly director training requirements of 12 hours.
- **Annual Training Requirements for All Staff** - If hired January 1 or later, only ½ of the training hours are required during the first school year (SY) of employment.

Directors	Managers	Other Staff	Part Time Staff
		(20 hrs or more/week)	(less than 20 hrs/week)
12 hours	10 hours	6 hours	4 hours

Food Safety and Storage

- All food service employees must have a signed Employee Reporting Agreement on file
- When using "Time as a Public Health (Temperature) Control":
 - The internal temperature must be at or below 41 degrees F. at the beginning of this holding period for cold potentially hazardous foods.
 - Up to 6 hours at an internal temperature of 41-70 degrees F. under monitored conditions for cold potentially hazardous foods. Provisions must be made to discard product if the 6 hour time limit is exceeded, the temperature of the cold potentially hazardous food rises above 70 degrees F., or the food is removed from service.
 - The maximum time is 4 hours for heated potentially hazardous foods. Provisions must be made to discard product if the 4 hour time limit is exceeded, the temperature of the heated potentially hazardous food falls to 70 degrees F., or the food is removed from service.
 - **There can be no leftovers and no reuse of the items covered under this plan.** Thus, if any Temperature Control for Safety (TCS) food is held outside of mechanical refrigeration during service, including TCS foods on garden bars, all left over TCS foods must be discarded.

Must be kept above 135 on hot line with mechanical heat	Must be kept under 41 degrees with mechanical refrigeration
Animal protein – eggs, meat, chicken, fish, shellfish, etc.	Milk and cheese, including house made dressing made with milk
Tofu and soy products –texturized vegetable protein, hot edamame	Hard boiled eggs
Baked potatoes	Tofu, edamame, soy
Heat-treated plant food, such as cooked rice, beans, vegetables	Sliced melons, cut leafy greens, cut tomatoes
Anything with cheese	Untreated garlic-and-oil mixtures
	Sprouts

Buy American

- The USDA requires that a SFA purchase, to the maximum extent practicable, domestic commodities or products. Using food products from local sources supports small local farmers and provides healthy choices for children in the school meal programs. Purchasing from these entities also supports the local

economy. The Buy American provision is required whether food products are purchased by SFAs or entities that are purchasing on their behalf.

- The Buy American provision should be included in solicitations, contracts, and product specifications. A reply offer to comply with Buy American terms in a solicitation ensures contractors are aware of Buy American requirements. Further, bidder assurance of the Buy American provision ensures that the bidder is responsive and responsible to the solicitation.
- There are limited exceptions to the Buy American provision which allow for the purchase of products not meeting the “domestic” standard as described above (“non-domestic”) in circumstances when use of domestic products is truly not practicable. Refer to SP 24-2016 for more information on the Buy American provision and limited exceptions.

Summer Food Service Program Outreach

- As part of the National School Lunch Program, it is required to do SFSP outreach. The purpose is to inform your students and families of the free feeding site(s) they may have access to in the summer while school is out of session. Near the end of this school year, it is as simple as a blurb in a newsletter sent home to students, or putting up free posters and/or mail these items free of charge. To access an inclusive map of all potential participating sites in your area, see the interactive map on the SFSP website <http://www.fns.usda.gov/capacitybuilder>.

Findings and Corrective Action Needed:

- ☐ **Finding #1:** Employee reporting agreements not on file.
Corrective Action Needed: Please have all food service staff and volunteers fill out an employee reporting agreement and submit signed copies <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/employee-reporting-agreement.pdf>
- ☐ **Finding #2:** Flavored water is currently being offered as an a la carte item at both the middle and high school levels. As discussed, flavored water would only be compliant at the high school level.
Corrective Action Needed: Prior to service, beverages were separated out based on compliance with grade level and only middle school appropriate beverages were offered for sale during the 5-8 meal service. Submit a written timeline describing how beverage requirements will be met moving forward.
- ☐ **Finding #3:** The fresh cucumbers and tomatoes came from Mexico and not USA.
Corrective Action Required: Please submit a statement of understanding that all procurement documentation must include the “Buy American” language in the contract.

5. Other Federal and State Programs – Special Milk Program (non-pricing - claimed correctly)